

SHIPBUILDING COSTS HERE TO BE LOWER

Submarine Boat Corporation
Quotes Price of \$149 a
Ton to Hurley.

EIGHT 12,000 TON SHIPS

Figures Understood to Be Far
Below Those in Any Other
Country.

Special Despatch to The Sun.
WASHINGTON, April 8.—A huge cut in shipbuilding costs in the United States is in immediate prospect. The Shipping Board is in receipt of an offer from the Submarine Boat Corporation, Newark Bay, to build eight 12,000 ton American type cargo ships at a flat cost of \$149 a ton. The corporation declares that it probably will be able to take a second contract at a lower figure.

Chairman Hurley of the Shipping Board predicted upon his return from Europe that American ship yards would be able to build cheaper than the yards of competing countries. The figures given by the Submarine Boat people are understood to be away below those of Great Britain or any other country at this time.

Present Prices Up to \$225.
Several weeks ago builders from the west coast made it known that they were figuring on the \$150 a ton basis. Just what the new figure means may be realized from the fact that present contracts of the Shipping Board, let during the height of the war, call for payments of from \$185 to \$225 a ton for approximately the same type of vessel.

Ship production costs of \$150 a ton are expected to be cut in this country definitely in the forefront of the shipbuilding countries of the world. This cost probably will influence the sale or transfer of the vessels now operated by the Shipping Board if the Hurley programme for turning over the vessels to private individuals and corporations is approved. It would mean the writing off of war costs averaging more than \$50 a ton. The Submarine Boat Corporation proposal was contained in the following letter from Henry N. Carr, president of the corporation, to Chairman Hurley:

"Referring to your interview with our vice-president, Henry R. Sutphen, we are willing to undertake to build for the United States Shipping Board 12,000 ton dreadnought capacity new American type steel cargo ships at the Government owned plant, Newark Bay Shipyard, where we are now building for the United States Shipping Board Emergency Fleet Corporation 150 5,350 ton deadweight capacity steel cargo ships, of which we have launched 35, and at our present rate of production will deliver 100 during 1919.

"The experience gained by us in duplicating steel cargo ships in quantity demonstrates beyond all question that the procedure we are following will enable us to build steel cargo ships in the most economical manner known, obtaining the highest efficiency from the man power employed and producing a ship of highest possible classification.

"The proposed ships will be 12,000 ton deadweight capacity steel cargo carriers, shelter deck type, classed Lloyd's or American Bureau of Shipping 100 A1 of the transverse system of construction; length of ship between perpendiculars (Lloyd's) 173 feet, molded beam 23 feet, draught 23 feet 6 inches, single screw equipped with 5,000 I horse-power reciprocating steam engines or 4,200 8 horse-power geared turbines, Scotch boilers, oil burning, with which power a loaded sea speed of 12 knots will be guaranteed.

"The ships would be built from the designs of our naval architect, Theodore E. Ferris, in association with our consulting naval architect, Frank E. Kirby, securing maximum advantages in the world's commerce trade of the lowest tonnage dues and insuring the greatest efficiency in operation and cargo carrying capacity both in deadweight and cubic feet.

"By utilizing oil for fuel a steaming radius of 13,000 knots will be obtained without refueling the ship.

"Auxiliary machinery will be of the latest and most approved type with large hatches permitting the most efficient handling of cargo.

"Quarters and other equipment according to the approved American requirements, affording thereby the maximum comfort for the crew.

"We would propose to take eight of the present launching ways as soon as they are available, remodel them to construct at one time four of the 12,000 ton ships but in order to give you the advantages of speed of production and duplication in quantity we would expect an order equal to two turns on each way and with this way capacity we would be able to give you the first ship in six months time after the ways were completed.

"Requires No Guarantees.
"On an order for eight ships at this time built and fully equipped delivery New York harbor we would propose a flat price of \$149 per deadweight ton without any guarantee from the Government on labor or materials. We believe this represents the lowest price that can be quoted to-day in the world for high class ships of the new American type for quick delivery. On subsequent orders that you might favor us with we believe a substantial reduction could be made on this price."

Under date of April 7, Chairman Hurley made this reply:

"Your proposal to build eight 12,000 ton American type steel cargo steamships at the flat price of \$149 per deadweight ton has been received. This proposal is most interesting at this particular time when war costs have reached a figure that are out of all proportion with our 1916 American prices of from \$64 to \$65 per deadweight ton on oil tankers and of from \$50 a ton for 5,000 ton cargo steamships to \$69 a ton for high class 5,200 ton cargo steamships with a speed of from 11 to 12 knots. Most prices mentioned and talked about for 1919 have been from \$185 to \$225.

"Your proposal most effectively answers the questions as to whether our steamships can compete in prices with foreign shipyards. You have demonstrated what a well managed and efficiently run American shipyard that knows its cost of production can do in competition with the leading shipyards in this and other countries.

"Gratifying to Country.
"The receipt of such a bid from one of our best yards at this period in the development of our shipbuilding industry will be most gratifying to the country, as it is safe to assume that if we can build ships at these figures now in a short time the prices will be further substantially reduced.

"Such a reduction will give us an opportunity to establish firmly our shipbuilding industry and will allow us to obtain ships at prices reasonable enough to compete with foreign ship operators. I shall take the matter up at once and advise you."

ACCUSES BURLESON OF DOUBLE DEALING

Increased Rate to Make Good
Western Union's Failing
Revenue, Charge.

EMPLOYEES NOT HELPED

F. S. McDowell, Union Official,
Threatens Strike Unless
Plan Is Changed.

Special Despatch to The Sun.
WASHINGTON, April 8.—The Commercial Telegraphers Union, through F. S. McDowell, a member of the national grievance committee, to-night asked Postmaster-General Burleson who would get the excess income resulting from the 20 per cent. increase in telegram tolls put into effect April 1. McDowell asserted that the whole move instead of being made necessary by wage increases was done to make good the falling revenues of the Western Union and the Bell systems.

The increased telegram rates will amount to \$18,000,000 a year, said Mr. McDowell. The wage increase given by Mr. Burleson as the reason for raising the rates actually means a reduction of \$2,500,000 in wages to the operators, he said.

"Assuming that Mr. Burleson's statement that he has raised telegraphers wages \$2,500,000 is true, who will get the additional \$15,500,000 that Mr. Burleson is taxing the American public?" McDowell asked. "We stand ready to go before Congress, the Chamber of Commerce of the United States, or any fair minded body of business men and show them not only how this \$15,500,000 can be saved the public but justice done to the workers and a ruinous strike averted."

"This is not a union proposition but business proposition, which we are

ready to back with facts and figures. Mr. Burleson will have to look elsewhere for a 'goat' to justify himself before the American people, whose confidence he has forfeited. The union is out of the 'goat' business."

Mr. McDowell recited the following facts, which, he declared, could be supported:

"In March, 1915, when President Carlisle of the Western Union adopted his uncompromising attitude toward his employees, which eventually led Congress to pass the wire control bill, the profits of the Western Union Telegraph Company for several months had shown a steady decrease over those same months of the previous years."

"The report of the American Bell Telephone and Telegraph Company, issued in March, 1918, and covering the year 1917 (these companies were closely affiliated) showed the company was paying dividends of 8 per cent, while its total earnings were only 8.53 per cent. Such a small margin of earnings had caused the stock of the company to decline from 128 in 1917 to 92 in the early part of 1918, and rumors were constantly afloat in Wall Street that the 8 per cent. dividend could not be maintained."

"In July and August, while the compensation of these companies was being considered, their officials virtually camped out in Washington, during which time there were several junketing trips joined in by telegraph officials and authorities of the post office. When the awards were finally announced, both companies were very well satisfied with the 8 per cent. dividends they were guaranteed."

"If Mr. Burleson will make public the figures they will show not only that the companies have not earned this award and could not have done so if allowed to continue the same course as before the Government operation, but that extravagance and inefficiency have increased the deficit to such an extent that the public will have to pay up to the extent of from \$20,000,000 to \$50,000,000 in increased telegraph and telephone rates."

"The Telegraph Operators Union months ago had a strong suspicion that Mr. Burleson would follow the very course he has taken, Mr. McDowell declared. He added that the union had been busy for months collecting affidavits to refute the claim."

Mr. McDowell declared that under the Government administration of the wire systems the payrolls had been padded. He cited an instance of where under pri-

rate control a girl employed at \$35 a month had announced callers to the superintendent and she also was used to check bonuses. This same service under Government operation cost \$5,000 a year, he said. He cited other instances also.

Mr. McDowell said that instead of increasing operators' salaries—the sole reason Mr. Burleson assigned for raising the wire rates—the incomes of operators had been decreased.

"Mr. Burleson says that he has raised the wages of the employees \$3,500,000," said Mr. McDowell. "We say that his figures are lowered them by that amount. Let us see on what our estimate is based. Mr. Burleson's award is for 5 and 10 per cent. increase to men who have been continuously in the service for six and twelve months. We say that this does not affect 90 per cent. of the men in the service except that it decreases their earnings. The 80 per cent. are in the same boat as I am. I have been over a year in the service of the Postal Telegraph Company in Dallas and in Washington, but because I was not a year in one or the other of these offices I do not get the increase, while my pay is decreased by the cut in overtime. In the Washington office there are 100 men. Six are entitled to the increase, but they lose their overtime. That means that the six actually lose \$210 a month. The other ninety-four lose over \$5,000 a month."

"I have been careful in giving this statement to state only the business side, the side that must appeal to business men. The union simply appeals to business men to join in cancelling this assessment of \$16,000,000 on the American public and avert a strike which must work a terrible hardship on them. We do not wish the strike, but if we can get justice in no other way we will have it in that way."

ARMY CUT 44 PER CENT.

Numbered 2,085,718 and 17,738
Marines April 1.

WASHINGTON, April 8.—On April 1, the War Department announced to-day, the aggregate strength of the American Army was 2,085,718, excluding the 17,738 marines with the expeditionary forces. This total shows a net decrease of 44 per cent. from November 11 last. The army is now divided as follows: In Europe, 1,846,610; in Siberia, 2,893; in the United States, 562,064; insular possessions, 35,412; at sea (April 1), 52,735.

PRICES DISCUSSED BY HINES AND PEEK

Progress Made, but No Decision
Reached on Standard-
ization Plan.

Special Despatch to The Sun.

WASHINGTON, April 8.—Walker D. Hines, Director-General of Railroads, and George N. Peek, chairman of the Industrial Board of the Department of Commerce, conferred alone to-day in an effort to reconcile their divergences over standardizing prices, but no decision was reached. Progress was reported after the meeting and another conference between the two men is to be held Thursday.

It is understood that Director-General Hines reiterated his opposition to the plan to have the railroads buy steel products, including rails, at the prices fixed by the Industrial Board. Mr. Peek, it also is reported, continues ready to change the procedure if a better plan is suggested than the one already put forward by himself and his associates. It also is asserted that Director Hines has not shown that the steel price schedule, as already fixed, is high or unfair.

Officials are confident apparently of a satisfactory adjustment of the entire steel price situation. Every effort is being made to restore harmony between the Industrial Board and the officials who were at odds as a result of the first conference and the refusal of Director-General Hines to accept the board's action.

The Industrial Board to-day announced that the "price stabilization" on sand and gravel had been abandoned in the following statement:

"In relation to sand, gravel and crushed stone the Industrial Board announces that, owing to the large number of firms and individuals engaged in the business and the local character of their operations, competitive conditions within the industry are so definite and persistent that nothing more can be done by the board than to recommend a continuation of the practice of competitive bidding in governmental purchases."

U. S. TO FIND USE FOR MOTOR TRUCKS

Machines Bought for War
Uses Will Be Utilized.

WASHINGTON, April 8.—Requirements of the various Government departments probably will consume practically the entire War Department surplus in motor trucks and motor cars, Acting Secretary Crowell said to-day. The Department of Agriculture alone, in connection with the road building activities of the Government in cooperation with the States, he added, will take over a vast quantity of motor equipment to be supplied to the States in carrying out the work.

Delivery on war contracts for trucks and all other equipment has reached its peak, Mr. Crowell said. These deliveries represent the completion of the portion of the orders which could not be suspended when hostilities ceased, fabrication having advanced too far or

the plants not being prepared to shift easily to peace time production. To accommodate this material large extension of storage facilities has been necessary, and the War Department is now constructing additional storehouses at many points.

Much of the material cannot be left to stand in the weather without serious damage, the secretary pointed out. At the proving grounds storehouses for gun limbers and caissons are being erected and at other points shelters for motor trucks are being put up. It has been figured that this provision for the trucks will cost about \$35 a truck, but it is felt that the expense is fully justified.

Preliminary estimates of steel surplus owned by the War Department puts the amount at 1,000,000 pounds. A large part of this is in partly fabricated parts taken over on suspended contracts, and the inventory is not complete. Steel blanks, the forging or castings turned out to be machined into projectiles, form a considerable part of the total, although some is in the form of ingots.

While the department purchased this material as fabricated it will be disposed of as scrap, having no other commercial use. The only market for it will be the steel mills that can pass it through furnaces for reworking as raw material.

Broadway **Saks & Company** at 34th St.

Offer Remarkable Values Today and Thursday, in a

Sale of Women's Ultra-Smart Spring Suits

Models inspired by very
costly importations

at **29.50**

Not a limited quantity of suits, but a wonderful assortment of the most charming blouse, box coat, and belted suits created for the present season, carefully tailored in

Men's wear serge, tweeds, gabardine, wool Jersey, and heather mixtures, lined with plain or novelty silks.

Sizes 34 to 44. Fourth Floor.



Saks & Company

Announce Beginning To-day

A Very Important

Sale of 4800 Men's Cravats

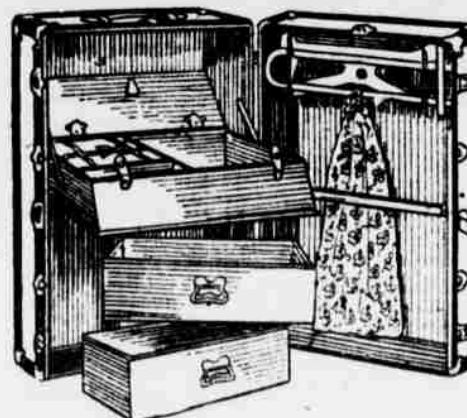
At .55, .85 and 1.65

The finest cravats seen in Manhattan for many seasons, produced in the richest silks and satins loomed for Spring by leading European and American mills. At each price their colorings and patterns are not only new and different, but so beautifully blended as to provide inspiration even to the connoisseur. Here are a few of the silks:

Soft, rich-looking Swiss Silks in French Blue, Pershing Brown and a host of other new shades; a lustrous Web Silk in All-over novelty patterns; smart Poplins in all the riches of the rainbow, and All-over Satins that have no counterparts in any other collection.

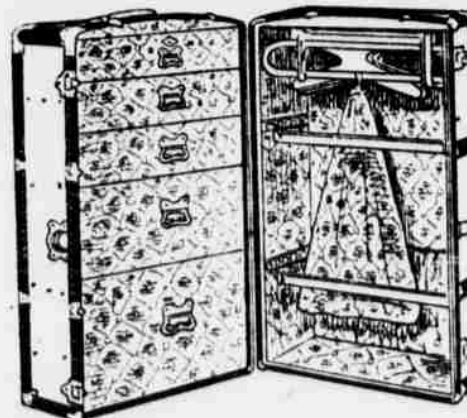
Broadway **Saks & Company** at 34th St.

36-Inch Wardrobe Trunks Special at \$17.95



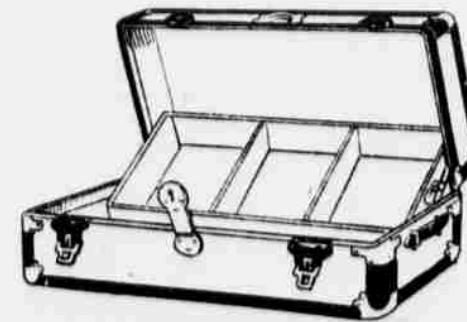
Illustrated. A roomy, hard vulcanized fibre covered trunk, fitted with three drawers, patented swinging removable trolley with six hangers, and laundry bag.

Three-Quarter Wardrobe Trunks, Special at \$29.75



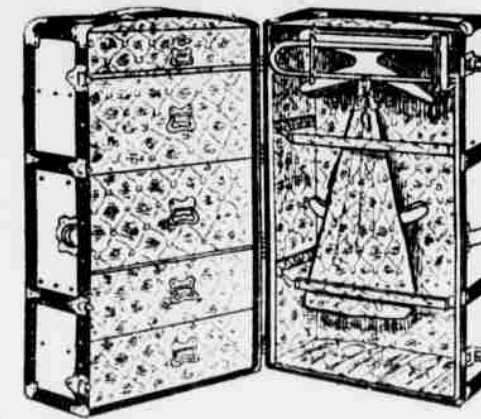
Illustrated. A substantial all-round edged trunk with two fibre centre bands, draw bolts and reliable snaplock. Fitted with five large drawers, patented removable garment rack, laundry bag and shoe pockets.

Vacation and Camping Trunks Special \$10.95



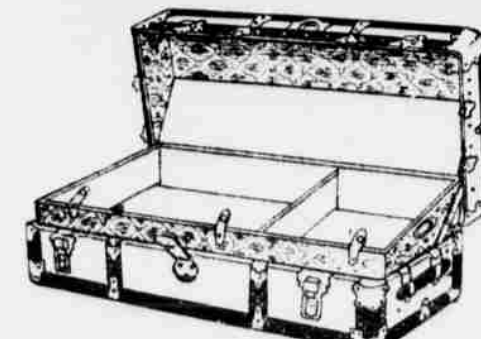
Illustrated. A substantially built trunk, covered and lined with hard vulcanized fibre and equipped with top tray. The best trunk ever offered at the price.

Full-Size Wardrobe Trunks Special \$36.95



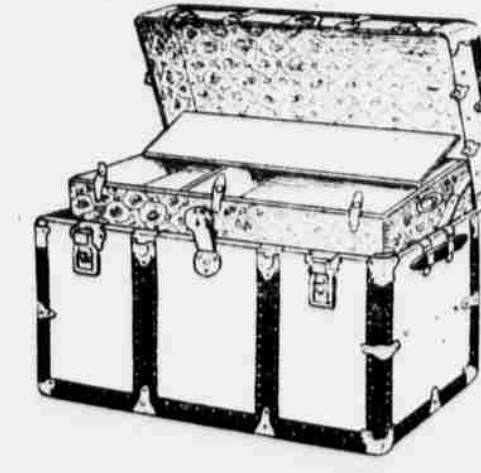
Illustrated. A fine bulge-top Wardrobe Trunk, covered with hard vulcanized fibre and reinforced with two heavy centre bands. Its complement consists of five large drawers, removable swinging garment rack with twelve hangers, and laundry bag.

Ideal Short-Trip Trunks Special \$16.95



Illustrated. Well constructed short-trip or steamer trunks, covered with hard vulcanized fibre and reinforced with two stout fibre centre bands. Fitted with deep covered top tray. All sizes.

Round-Edged Dress Trunks Special \$17.95



Illustrated. A trunk so thoroughly constructed it must give good service. Covered with hard vulcanized fibre, and trimmed with the best of hardware. Fitted with deep covered top tray and extra skirt tray. All sizes.